



# Lamoine Board of Selectmen

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Minutes of May 30, 2012

**Draft**

Chair Jo Cooper called the meeting to order at 6:30 PM at the Lamoine Consolidated School Gym.

Present were: Selectmen Richard Fennelly Jr., Gary McFarland, S. Josephine Cooper, Cynthia Donaldson, William Brann; Administrative Assistant Stu Marckoon, Cable TV crew member Merle Bragdon, RSU 24 Representative Brett Jones, RSU 24 Superintendent Suzanne Lukas, RSU 24 Business Manager David Bridgham, Local School Advisory Committee members Gordon Donaldson, Nathan Mason, Dale Macurdy; Lamoine School principal Ann McAnn, members of the public Marilyn Lockhart, Bernie Johnson, Catherine Gaianguest, Jon VanAmringe, and one unknown media reporter.

**Expenditure Warrant 23** – Selectmen signed warrant 23 in the amount of \$10,764.11. There were no questions regarding the warrant.

**Public Hearing – RSU 24 Withdrawal Vote** – Jo opened the public hearing at approximately 6:32 PM.

Administrative Assistant Stu Marckoon read from a power point presentation as follows:

(Ballot Question Wording) Do you favor filing a petition for withdrawal with the board of directors of regional school unit 24 and with the Commissioner of Education, authorizing the withdrawal committee to expend \$ 15,000.00 and authorizing the Board of Selectmen to issue notes in the name of the Town of Lamoine or otherwise pledge the credit of the Town of Lamoine in an amount not to exceed \$ 15,000.00 for this purpose?

The Process...

1. Petition Required to present ballot question to voters
2. If the question passes, the Town Clerk must notify the RSU 24 Secretary and Commissioner of Education of the vote totals and a statement from the Selectmen about why they think the vote passed.
3. Education Commissioner directs Selectmen to:
  - a. Select withdrawal committee members
  - b. RSU directors select Lamoine's representative to serve on withdrawal committee

Process Continued

4. RSU Chair opens Withdrawal Committee meeting
5. New withdrawal agreement must be submitted to Education Commissioner within 90 days of withdrawal committee formation

New Agreement must be developed, containing:

- Provisions to provide educational services to all students
- Students may attend school they would have attended without withdrawal
- Allowable tuition rate to former RSU
- Withdrawal would take effect at the end of RSU's fiscal year
- Affirm no need for school construction exists

- Provide for administration of new school unit which should not include creation of new supervisory units
- Provide for distribution of financial commitments for bonds and contracts
- Distribution of any financial commitments to the RSU
- Continuation of collective bargaining agreements and assign to new RSU/AOS

New Agreement must contain (continued)

- Continuation of Contract Rights
- Disposition of all real and personal property and other monetary assets
- Transition of administration and governance of schools to properly elected governing body.

Process Continued

6. Agreement is sent to Education Commissioner who must give conditional approval or recommend changes within 60-days.
7. If conditional approval, RSU Board is notified and public hearing must be held by Selectmen on new agreement
8. Special town meeting must be held by referendum to adopt new plan – Education Commissioner sets the date.
9. A 2/3 vote required to withdraw finally

Withdrawal Plan Development Costs

- Estimated by petitioners at \$15,000 cost to Lamoine
- If June 12, 2012 vote passes, money is automatically set aside from Undesignated Fund Balance (surplus) into a designated withdrawal fund.
- Surplus balance 6/30/11 was \$363,067.87. Town meeting appropriated \$53,205.19 from surplus for 2011/12 budget and \$55,000 for 2012/13 budget. Worst case scenario would leave \$239,862.68 in surplus at end of FY 2012/13

If the question fails June 12, 2012, and fewer than 45% vote in favor the town may not petition for withdrawal within 2-years (6/12/14)

If the question passes 6/12/12 but fails to receive 60% of vote on final plan, the town may not petition for withdrawal within 2-years of the final agreement vote.

Jo said this is a beginning of a process, not a vote up or down to withdraw. She then opened the floor to comments, and clarified that individual Selectmen are speaking for themselves.

RSU 24 Representative Brett Jones said the purpose of the vote as stated is important to be reiterated, that it's not a final vote to withdraw, but to start planning to do so.

Local School Advisory Committee member Gordon Donaldson said the committee had several conversations with the community and staff over the past 3-years included several forums to listen. He said the effort to study withdrawal came from those conversations. He said there might not be a majority in town that agrees with that, but it prompted the petition. He said there are three issues, including the quality of the school and how it has changed since the RSU was established; the governance structure and that the community no longer has direct and continuous oversight of the building and where high school students are going. He noted there initially was a problem with the

RSU on the high school choice issue. He said the governance issue leads to being taxed without representation. He said a budget is developed by the RSU board and there is no citizen participation in the process. He said the biggest concern is that teachers have been lost to other communities where pay is higher and job security is stronger. He said there is concern about whether the Lamoine School would be closed. He said that has bred uncertainty and concern. He said the RSU law requires that teacher contracts be equalized, and that has not happened. He asked when the RSU would abide by the law and equalize the salaries.

Dr. Donaldson said the third issue is the cost. He said the cost argument is not a strong one – the RSU has done well by the town as expenditures have stayed fairly level. He said they would like to study that further. He said they don't have the data to determine whether a new system would save money.

RSU 24 Superintendent Suzanne Lukas addressed the hearing and said she wanted to clear up some information. She said it's a political process in reaction to forced state consolidation and that state sanctions are no longer in effect. She said there has been inaccurate information presented to the public.

Ms. Lukas said that test scores show kids doing fairly well but the data is volatile and the sample is small. She said the RSU overall has done well with gains in math and reading. She said it's true that governance has changed from a local school committee that saw local oversight. She said the budget process and board meetings are open to the public, but no one from Lamoine has attended the meetings, though they could have.

Ms. Lukas said the budget decisions are a 2-step process, and anyone can attend the district meeting that was held last week; the second step is the validation vote which is scheduled for next month. She said there is an advisory committee at the school and Principal Ann McCann communicates the concerns to the RSU.

Ms. Lukas said there are no plans to close any of the small schools in the RSU. She said construction project applications submitted last year were not funded by the state, so the RSU will have to use all its buildings in the future. She said there are no plans to close schools at this time or into the foreseeable future.

Ms. Lukas said there were teacher cuts, but they were made prior to formation of the RSU. She explained how staff is spread around in the RSU which results in savings. She said within the 12-RSU towns, after adjusting for debt service, there is \$1.5 million less being spent than was spent in the towns prior to the RSU. She said there were 5 bargaining units with different expiration dates, the last one expiring last August. She said they are in negotiation and have been for more than a year, and there is a tentative agreement being dealt with now. She said there will be one contract with equality and parity, as has been done with custodians and bus drivers already. She said criticism of that is unfounded.

Ms. Lukas said she doesn't believe the RSU has compromised quality of education and they are involved in research on several subjects and further improving education. She

said Lamoine will see a decrease in taxes of more than \$13,000 in 2012/13. She said it's not a lot of money but it's going in the right direction, even at a time when there are significant increases in fuel and insurances. She said the efficiencies of the RSU are being delivered.

Selectman Gary McFarland asked if Lamoine should decide to stay and Ellsworth votes to withdraw, where does that leave the towns that stay. Ms. Lukas said that's a big question for all RSU towns. She said the process will take a year, but the State Department of Education is advising that it would likely take 2-to-3 years. She said no one knows how long it would take because no one has done it yet. She said the RSU will be intact for the next fiscal year, and if there are withdrawals, the RSU will have to adjust accordingly, but she's not sure what that would mean. She said it would have to be to adjust to manage a smaller school unit.

Ms. Lukas said Lamoine came into the RSU structure with staff and equipment and all that would have to be negotiated should there be a withdrawal. She said the more than 600 RSU employees have certain rights under collective bargaining agreements. She said she doesn't know what the implications are, and it's part of the messiness of this.

Nathan Mason said the purpose of the first step of the process is to allow the withdrawal committee to answer the questions, and it would give the town a safety net through planning. He said the savings for the coming fiscal year come at a cost of reduced staffing. He said he's not happy about having a combined 7<sup>th</sup> and 8<sup>th</sup> grade classroom for next year.

Selectman Richard Fennelly said it looks like there is a .7 FTE principal. He said there were savings full term with the RSU and Lamoine's increase since formation has only been 1.4%. Mr. Mason said the entire RSU will absorb all the teaching salary increases. A brief debate back and forth followed between Mr. Mason and Richard.

Richard said if the suggestion is that teacher salaries would be lower in Lamoine, it's likely the teachers might seek jobs elsewhere that pay better. He said if Lamoine stays in the RSU and there is a new uniform compensation structure is in place, there is no financial incentive to leave Lamoine. Mr. Mason said the savings will not be realized in the future because of the future employment contracts.

Brett Jones said some of the savings are attributable to cost sharing formulas. He said the potential mess of leaving goes back to the purpose of the vote. He said saying "no" could let circumstances run their course, or say "yes" and plan our way out of it.

RSU 24 business manager David Bridgham said there are several consequences. He said one of them is construction bonds of \$2.9 million for school upgrades, and bond counsel is advising that those are jeopardized by the various withdrawal votes. He said the projects won't start this summer if towns proceed with withdrawal, and if the bonds are not issued by December, they will be lost.

Selectman Cynthia Donaldson said she hears no difference between that and penalties that were initially in place. She said having an ax hanging over your head is similar to that – we've been there before.

Selectman Bill Brann asked for clarification of how the staffing changes took place, and the decisions that were made prior to the RSU formation. A short discussion followed as to when the staffing decisions were made. Richard read from a chart on the staffing levels. Mr. Bridgham said library, music and phys ed, positions were reduced in 2007/08 and 2008/09, prior to the RSU being formed. He said that happened when there was discussion about closing the school and the budget went to 3-town meetings after the validation vote failed. Mr. Jones confirmed that the budget for that year was a new process with the validation vote.

Catherine Gaianguet said the discrepancies point to the importance of moving ahead with a committee to do the research necessary. She said the town faced a less than voluntary decision to join the RSU – there was no other choice and there was no information to make an informed decision. She said that process can't be turned around. She said she needs to know what would be good for a change. She said she's concerned by the 90-day window to put together the information necessary to make a decision. She said she had a 7-point list of things to know about before making the decision. She said she needs to know the benefits and drawbacks of withdrawing and staying in the RSU. She said they are fiscal, quality of education for all students including several programs, high school options and costs, teacher impact and the ability of Lamoine to have the best teachers possible, the type and cost of administration, local control and the community center issue of having a school in town, and other tangibles that would be lost by staying or leaving the RSU. She said she won't be able to make a decision on the final plan or process without that information.

Richard said there were 3-things he focused on, including academic achievement, and it's clear that has improved. Ms. Gaianguet said she didn't know where that data came from. She said the hearing is about going forward with a process where the data is collected. Richard said he's comfortable with the standardized test if it's indicating improved academic achievement. He said there are no complaints about curriculum and there are good comments about it. He said Lamoine had the lowest percentage increase in taxation for funding the RSU at 1.4%. He said the next lowest is 6.9%. He said it looks like the RSU has done a responsible job.

Richard said since joining the RSU the student population has decreased 13.3% and valuation has increased 21.3%, and that's a perfect storm to lose state funding for Essential Programs and Services. Mr. Jones said the town doesn't receive state funding, and won't in the future. There was a brief exchange between Richard and Mr. Jones in regard to EPS funding. Richard said if the town goes on its own, it will not go back to the way the school used to be because there is no state funding, and that would add to the cost of what was funded previous to joining the RSU.

Dr. Donaldson said the hope is that Lamoine would not go on its own, but would join with 3 or 4 other communities that can form a smaller unit that would be more flexible and

responsive to needs. He said because the RSU is spread out all over, it is a management nightmare. He said the efficiencies might not be the same as the huge unit, but a smaller unit might be able to do better in areas like transportation. He said Lamoine would continue to share a superintendent, business office and management. He said a new unit would not need the number of middle managers the RSU needs. He said there has been a growth in middle management and less money is going to the classrooms. He said the vision is to go forward with some other towns with more flexibility and more autonomy to do what the community's taxpayers choose to do.

Mr. Bridgham said the RSU has less middle management than the districts that formed the RSU. He discussed the term middle management, and said the RSU has far less management in terms of fewer special ed directors, and the like. Dr. Donaldson said he would like to see that data. Mr. Bridgham said there are only 3 towns in the process of this exploration, and he's not sure that any of the voters will move forward, and based on the previous night's hearing it doesn't seem like Ellsworth wants to form an AOS with anyone.

Richard said the budget for Lamoine prior to the RSU was \$2.286 million with \$1.86 million raised from taxes. He asked Dr. Donaldson if he believed a smaller subset of the RSU could be run at a cost competitive with the cost Lamoine is paying in the next budget, considering the back office numbers would be shared with fewer towns. Dr. Donaldson said that information is needed and that's why the vote should be favorable. He said the figures show Lamoine has the highest cost per student in the RSU, which means we're paying for somebody else's kids. He said that's due in part because we've lost students. He said with our own school committee and town meeting, the budget could be adjusted to match student enrollment. He said the valuation requires Lamoine to pay a higher amount into the RSU. Richard said the town is the 4<sup>th</sup> highest paying member of the RSU. Dr. Donaldson said if it was a smaller unit, the cost might be less. Richard said the enrollment drop is the reason for the high cost per student. Mr. Jones said the cost per student argument is not a correct one. Richard asked at what point the cost per student becomes an argument to just roll it up and go home. A brief exchange followed between Richard and Mr. Jones in regard to cost-per-student.

Mr. Jones said money is not the only issue. He said they are trying to provide the best education possible for the students of Lamoine, whether or not the town is a member of the RSU, and to retain control as a town. Richard said some people are just getting by and money is an issue.

Bill said he's had children in the school and more that will likely come to this school and he has an interest in this school. He said the management structure is secondary to the education they could receive here. He said he heard about the dismal participation in RSU meetings, and if the same energy were put into the RSU meetings as was being put forward by withdrawal advocates it could be positive. He said he's not attended the RSU meetings, and the public is invited and suggestions could be heard.

Jo reminded the audience that Selectmen are speaking as individuals.

Ms. Gaianguest said she's looking for a balance of data. She said numbers and statistics tell only part of the story. She said she doesn't value standardized testing unless there are other measures of how kids are learning. She said the town should vote to go ahead with the process and asked whether it's possible that during the withdrawal process the committee discovers we might be better staying in the RSU.

Mr. Jones said the committee would try to be as fair as it can. He said he's not interested in pushing an agenda, and if the data leads to a road where we should stay, that would be presented to the voters.

Mr. Mason said during the first year of the RSU meetings the public was discouraged from speaking and that set a tone. He said representatives from other communities are serving their communities and not thinking about Lamoine's children. Bill said that's discouraging. He said he would not like to be squelched. Mr. Mason said he's not saying that's the way it is today. Mr. Bridgham invited anyone to attend the board meetings – they're held at either Ellsworth or Sumner High Schools. He said there is some good information about what's going on in the schools.

Marilyn Lockhart asked where the meetings are publicized. Mr. Bridgham suggested checking the RSU 24 website or the newspaper.

Ms. Gaianguest asked what the percentage of Lamoine's vote on the RSU board was. Mr. Bridgham said it's 8%. Ms. Gaianguest said that's much of an incentive to attend. Richard asked what the other towns' percentages are. Mr. Jones said the percentages have not been adjusted to reflect population changes. Jo said civic participation is always positive. Mr. Bridgham said it's rare that towns gang up on somebody, and even Ellsworth is not always a uniform block vote.

Richard asked Mr. Jones how often he dissents from the rest of the board. Mr. Jones said it's not frequent. He said the structure of the board doesn't give any protection to small schools depending on the makeup of the board. He said most of the business is fairly routine. Richard noted that the voters in each town place their representatives on the board. A brief discussion followed on the politics of the RSU board's makeup.

Cynthia said she should attend a board meeting and hoped the whole board would listen to her if she had an idea. She said it shouldn't matter that Lamoine only has 8% of the vote.

Bernie Johnson said he has trouble understanding the argument against putting together a withdrawal plan. He said he's not sure if it's the money, but thinks it wouldn't be a bad idea to have a plan and have all the information available. Bill said he thinks that once the process begins, there are certain time frames and steps that must be followed once the town starts down this road, and it must jump in with both feet. Mr. Johnson said he thinks the next step is an exploration of what the options are; to take a look at things, and whether or not the RSU is the best option. He said he'd like to find out.

Dr. Donaldson said one of the original motivations in forming the Local School Advisory Committee was that the town was not sure that the RSU could do what it should. He said the formation vote was decided by only 11-percent of the voters, and fewer than 7% of registered voters were in favor. He said all but 2 communities voted in favor of repeal in a statewide referendum a couple years later, and participation was closer to 60%. He said there were doubts. He said the RSU has done some very positive things in 3-years of existence, but there are still doubts. He said this would be an opportunity to collect information that everyone could rely on.

The hearing closed at 7:44 PM, and the Selectmen adjourned simultaneously.

Respectfully submitted,

Stu Marckoon, Adm. Asst.